

THE CONNECTICUT CAMPAIGN FINANCE LAW

A GUIDE FOR CANDIDATES FOR STATE OFFICE, GENERAL ASSEMBLY, SHERIFF AND JUDGE OF PROBATE

Prepared and Distributed By

The Connecticut State Elections Enforcement Commission

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INTRODUCTION

This summary is designed to serve as a guide to financing the political campaigns of candidates for State Offices, General Assembly, Sheriff and Judge of Probate.

Connecticut's Campaign Finance Laws are set forth in Chapter 150 of the Connecticut General Statutes, Secs. 9-333 et seq. Generally, before funds or other resources for the campaign may be solicited or received, or expenditures made, by or for a candidate for elective office, an exploratory or candidate committee must be registered with the Secretary of the State.

(Section. 9-333d, 9-333f(a), General Statutes)

Any committee established to fund the campaign of a candidate has, through its treasurer, periodic public disclosure requirements pertaining to the committee's financial transactions. A committee's treasurer also has internal record-keeping duties, must comply with limitations on the sources and amount of funds or resources the committee may receive from donors, and similar responsibilities concerning the expenditures that can be made on behalf of the candidate. It is the personal responsibility of a committee's treasurer to ensure that the committee fully complies with all of the statutory requirements relating to campaign financing.

This Guide focuses on the rules relating to the funding of campaigns for State Offices, General Assembly, Sheriff and Judge of Probate. Other offices, such as Registrars of Voters, which may appear on the ballot in a regular state election are covered by the Commission's guide entitled, "A Guide for Municipal Candidates." Additionally, for campaigns involved in delegate primaries (primaries involving the selection of delegates to a convention for state or district office), a separate Fact Sheet has been prepared. Separate Commission Guides are also available for candidates for municipal office, committees established on an ongoing basis (party committees, political committees formed by business entities, labor unions and other organizations, committees formed by two or more individuals), and political committees formed solely to support or oppose ballot questions.

Anyone using this Guide is advised to refer to the specific statutory provisions, regulations and advisory opinions of the Commission referenced throughout. This Guide incorporates all of the changes made by the General Assembly made by the 1997 Special Session and set forth in P.A. 97-5. In the event that any of the explanations contained in the Guide conflict with the law, the provisions of the law will prevail over those of the Guide.

Copies of the campaign finance laws are available from both the State Elections Enforcement Commission and the Office of the Secretary of the State.

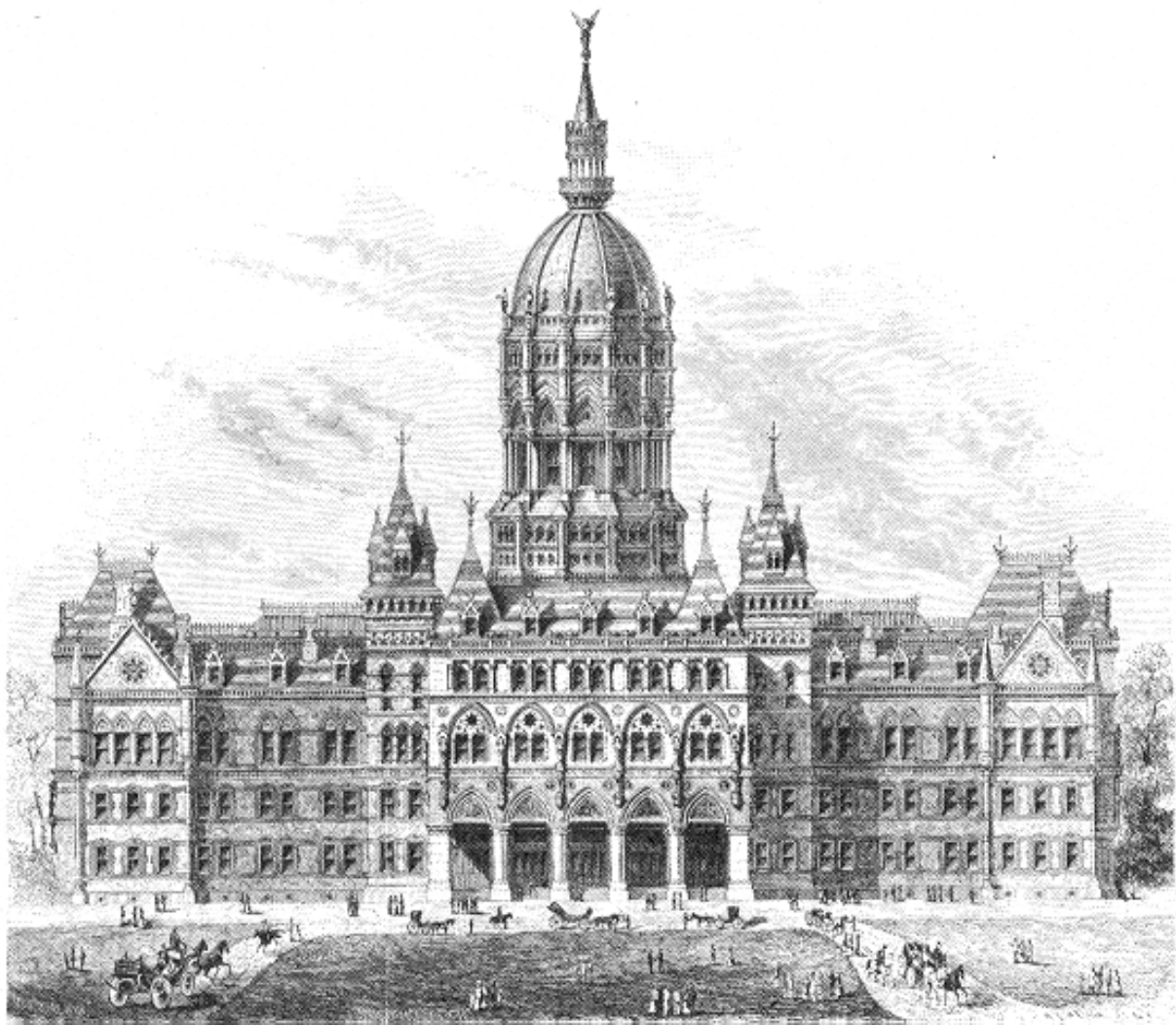


TABLE OF CONTENTS

INTRODUCTION

TABLE OF CONTENTS..... 1

I. DEFINITIONS OF TERMS OF PRINCIPAL IMPORTANCE TO CANDIDATES..... 3

WHO IS A CANDIDATE?	3
WHAT IS AN EXPLORATORY COMMITTEE?	3
WHAT IS A CANDIDATE COMMITTEE?	3
WHAT IS A STATE OFFICE?	3
WHAT IS A PARTY COMMITTEE?	3
WHO IS A COMMITTEE TREASURER?	3
WHO IS A DEPUTY TREASURER?	4
WHO IS A SOLICITOR?	4
WHO IS AN INDIVIDUAL?	4
WHAT IS A DEPOSITORY INSTITUTION?	4
WHAT IS A BUSINESS ENTITY?	4
WHAT IS AN ORGANIZATION?	4
WHAT IS A LOBBYIST?	5
WHAT IS A POLITICAL COMMITTEE?	5
WHAT IS A POLITICAL COMMITTEE ESTABLISHED BY OR ON BEHALF OF A LOBBYIST?	5
WHAT IS A CONTRIBUTION?	5
ARE CERTAIN MONETARY AND NON-MONETARY RECEIPTS OR EXPENDITURES <u>NOT</u> CONSIDERED CONTRIBUTIONS?	7
WHAT IS A CAMPAIGN EXPENDITURE?	8

II. RESPONSIBILITIES OF THE CANDIDATE 8

AUTHORIZATION OF A VALID FUNDING SOURCE	8
DESIGNATION AND REGISTRATION OF A CANDIDATE COMMITTEE	9
A CANDIDATE MAY NOT HAVE MORE THAN ONE CANDIDATE COMMITTEE	9
WHEN AND WHERE TO FILE REGISTRATION AND EXEMPTION FROM REGISTRATION FORMS?	9
WHEN AND HOW TO AMEND A REGISTRATION STATEMENT?	10
APPOINTMENT OF THE COMMITTEE'S TREASURER OR DEPUTY TREASURER	10
DESIGNATION OF A DEPOSITORY FOR COMMITTEE FUNDS	10
EXEMPTION FROM REQUIREMENT TO FORM A CANDIDATE COMMITTEE	11
WHEN DESIGNATION OF AN EXPLORATORY COMMITTEE IS PERMITTED	11

III. RESPONSIBILITIES OF THE TREASURER..... 12

MUST DEPOSIT ALL COMMITTEE'S MONETARY RECEIPTS	12
WHAT CONTRIBUTIONS MAY BE LAWFULLY ACCEPTED BY A COMMITTEE?	12
A CAMPAIGN COMMITTEE MAY <u>NOT</u> ACCEPT CERTAIN MONETARY RECEIPTS DEPENDING ON THE METHOD OF PAYMENT	15
THE TREASURER ALONE MAY AUTHORIZE AND MAKE EXPENDITURES ON BEHALF OF THE COMMITTEE	16
WHAT IS A PERMISSIBLE EXPENSE?	17
EXPENSE SHARING BY COMMITTEES	17
FUNDRAISING EVENTS HELD TO BENEFIT TWO OR MORE CANDIDATES	17
THE TREASURER MAY ESTABLISH A PETTY CASH FUND	18
TREASURER MAY APPOINT SOLICITORS	18
TREASURER MUST RETAIN A RECORD OF ALL COMMITTEE MONETARY AND NON-MONETARY RECEIPTS AND EXPENDITURES AND MUST KEEP INTERNAL RECORDS	19
TREASURER FILES PERIODIC DISCLOSURE STATEMENTS OF THE COMMITTEE'S RECEIPTS AND EXPENDITURES	19
LATE FILING FEES	20
COPIES OF REPORTS	20

IV. FUND-RAISING EVENTS.....	21
WHETHER MONETARY AND NON-MONETARY RECEIPTS CONSTITUTE CONTRIBUTIONS	21
REPORTING OF FUND-RAISING EVENTS.....	23
V. REPORTING INFORMATION.....	23
WHO REPORTS?.....	23
HOW AND WHERE TO REPORT?	23
WHEN TO REPORT?	24
WHAT INFORMATION MUST BE REPORTED?	24
IN-KIND CONTRIBUTIONS.....	25
EXPENDITURES.....	26
OTHER REPORTING INFORMATION	27
VI. SPECIAL TOPICS.....	27
LOAN IS CONTRIBUTION	27
COMPUTERS USED OR ACQUIRED BY CAMPAIGNS DURING CANDIDATE’S CAMPAIGN	28
DISPOSITION OF COMPUTER UPON TERMINATION OF COMMITTEE	29
VII. PROHIBITIONS ON CONTRIBUTIONS AND EXPENDITURES FROM CERTAIN SOURCES.....	29
RESTRICTIONS ON INDIVIDUALS LESS THAN 16 YEARS OF AGE	29
LOBBYIST BAN ON CAMPAIGN GIFTS TO CANDIDATES FOR STATE OFFICES AND GENERAL ASSEMBLY	29
RESTRICTIONS ON CONTRIBUTION TO CANDIDATES FOR STATE TREASURER BY INDIVIDUALS AND POLITICAL COMMITTEES OF INVESTMENT SERVICES FIRMS DOING BUSINESS WITH THE STATE TREASURER.....	31
BUSINESS ENTITY, LABOR UNION AND OTHER ORGANIZATION CONTRIBUTION AND EXPENDITURE BAN.....	31
VIII. IDENTIFICATION OF POLITICAL CAMPAIGN COMMUNICATIONS	32
REQUIREMENTS	32
EXEMPT COMMUNICATIONS.....	33
IX. POLITICAL COMMITTEES REGISTERED UNDER FEDERAL LAWS OR REGISTERED IN OTHER STATES.....	33
X. TERMINATION OF THE COMMITTEE – DISTRIBUTION OF SURPLUS AND ELIMINATION OF DEFICITS.....	33
EXPLORATORY COMMITTEES.....	33
CANDIDATE COMMITTEES	35
XI. GENERAL PROHIBITIONS AND PENALTIES	36
VOTE BUYING AND SELLING	36
CONTRIBUTIONS IN FALSE NAME	36
GENERAL CRIMINAL AND CIVIL PENALTIES	36
UNLAWFUL SOLICITATION OF CONTRIBUTIONS OR MAKING OF EXPENDITURES.....	36
PROHIBITED SOLICITATIONS.....	37
TESTIMONIAL AFFAIRS	37
PROMISE OF PUBLIC APPOINTMENT OR POSITION OF TRUST.....	37
XII. PUBLIC RECORDS	38
XIII. COMPLAINTS.....	38
WHO MAY BRING A COMPLAINT?	38
FORM OF COMPLAINT	38
COMPLAINTS SHOULD INCLUDE THE FOLLOWING:	38
XIV. ADVISORY OPINIONS AND DECLARATORY RULINGS.....	39
WHO MAY REQUEST AN ADVISORY OPINION?.....	39
WHAT MAY BE THE PROPER SUBJECT OF AN ADVISORY OPINION?	39
FORMAL REQUIREMENTS FOR AN ADVISORY OPINION OR DECLARATORY RULING REQUEST.....	39
NOTICE PROCEDURES RELATING TO ADVISORY OPINIONS OR DECLARATORY RULINGS	39
XV. CONCLUSION.....	40

I. DEFINITIONS OF TERMS OF PRINCIPAL IMPORTANCE TO CANDIDATES

Who is a Candidate?

An individual who seeks nomination or election to public office, whether or not such individual is successful. An individual is deemed to be a candidate if he or she:

- a. personally, or through another person, has solicited or received funds or other resources, or made expenditures, including expenditures from personal funds, for the purpose of bringing about such individual's nomination or election to any office; or
- b. has been endorsed or nominated by a political party and is thus entitled to a position on the ballot at an election or primary (whether or not funds or resources have been solicited, received or expended); or
- c. is otherwise qualified for placement on the ballot pursuant to the election laws (whether or not funds or resources have been solicited, received or expended).

(Sections 9-333a(10), 9-400, 9-406, 9-418, and Subchapter C of Chapter 153, General Statutes)

What is an Exploratory Committee?

An exploratory committee is a political committee formed by a candidate who has not yet determined what office to seek. The sole purpose of such a committee is to decide which office to seek in the election.

(Section 9-333f(c), 9-333j(f), General Statutes)

What is a Candidate Committee?

A candidate committee is a committee designated by a candidate to promote his or her nomination or election to a specific office. A candidate committee may only be utilized to support one candidate.

(Section 9-333a(4), General Statutes)

What is a State Office?

A State Office is the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, State Treasurer or Secretary of the State.

What is a Party Committee?

A party committee may be a town committee or a state central committee of a political party, but does not include party-affiliated district, ward, or borough committees.

Who is a Committee Treasurer?

A committee treasurer may be any registered voter in Connecticut who is appointed to serve as treasurer by the candidate. Commissioners and deputy commissioners of state agencies are prohibited from being committee treasurers. The committee treasurer is the only individual who has authority to deposit funds into, or expend funds from, the committee's depository account. Only one individual may serve as a committee treasurer at any one time. A candidate may not serve as his or her own treasurer.

(Sections 9-333a(11), 9-333h(d), 9-333x(11), General Statutes; State Elections Enforcement Commission Advisory Opinion No. 83-2)

Who is a Deputy Treasurer?

A deputy treasurer must have the same qualifications and be appointed in the same manner as the committee treasurer. The purpose of appointing a deputy treasurer is to have an individual on hand who may function as the committee treasurer in the event that the treasurer is unable to perform the required duties of the treasurer. Only one individual may be appointed as deputy treasurer at any one time. The appointment of a deputy treasurer is optional for all committees. A candidate may not serve as his or her own deputy treasurer.

(Sections 9-333a(12), 9-333f(a), 9-333h(d), General Statutes)

Who is a Solicitor?

A solicitor is any individual who is appointed by the treasurer to receive funds or resources on behalf of the committee. There are no limitations on the number of solicitors that the treasurer may appoint on behalf of the committee. A candidate may serve as solicitor for his or her own campaign.

(Sections 9-333a(13), 9-333h(c), General Statutes)

Who is an Individual?

An individual is a human being, a sole proprietorship or professional service corporation organized under chapter 594a of the Connecticut General Statutes owned by a single human being.

(Section 9-333a(8))

What is a Depository Institution?

A depository institution is any financial institution situated in or having an office in Connecticut, including but not limited to a bank, savings and loan association, or credit union. It is the treasurer's obligation to establish a single checking account for the deposit of all funds received by the committee. Further, all committee expenditures must be made from this account.

What is a Business Entity?

A business entity includes a stock corporation, bank, insurance company, business association, bankers association, insurance association, trade or professional association receiving funds from membership dues and other sources, partnership, joint venture, private foundation, trust or estate, cooperative or other association, and any similar organization or entity which is engaged in profit-making activity.

Note: a solely owned professional service corporation or a sole proprietorship is considered an individual and not a business entity.

(Section 9-333a(7), (8), General Statutes)

What is an Organization?

An organization includes any labor organization, employee organization, bargaining representative organization for teachers, local, state or national organization to which any labor organization pays fees or membership dues, as well as any trade or professional association receiving its funds exclusively from membership dues. However, if the membership in such trade or professional association includes business entity members, such as a professional service corporation that is not owned by a single individual, then such a

trade or professional organization is deemed to be a business entity and not an organization for purposes of the campaign financing laws.

(Section 9-333a(6), General Statutes)

What is a Lobbyist?

A lobbyist is any individual, or any organization or entity which receives compensation or makes or agrees to make expenditures in excess of \$2,000 per calendar year to communicate with, or solicit others to communicate with any official, or member of such official's staff, within the legislative or executive branch of state government, for the purpose of influencing any state legislative or executive administrative action. Lobbyists are required to register with the State Ethics Commission.

What is a Political Committee?

In addition to the exploratory committee, defined above, this guide will sometimes reference other types of political committees established in this state by the following: business entities, labor unions and other organizations, trade or professional associations, other entities, and groups of at least two individuals. Political committees formed to support or oppose candidates for non-federal elective office in Connecticut at the state or local level may have an ongoing existence or may be formed for only a single election or primary. Similarly, political committees formed for ballot questions may have an ongoing existence or may be formed only for a single ballot question.

While a candidate may not authorize any of these committees as the funding vehicle for the candidate's campaign, such other political committees may, for purposes and in amounts described in this Guide, be donors to the candidate's authorized committee.

(Section 9-333a(3)(4), General Statutes)

What is a Political Committee Established by or on behalf of a Lobbyist?

A political committee established by or on behalf of a lobbyist is a committee in which a lobbyist is an officer or treasurer, or which was created in consultation with, at the request of or at the suggestion of a lobbyist or his agent, or is controlled by a lobbyist or his agent. A political committee established by or on behalf of a lobbyist must identify its affiliation on the committee's registration statement.

(Section 9-333g(b)(14), General Statutes)

As described later on in this Guide in more detail, a political committee established by or on behalf of a lobbyist is barred from providing funds or resources to certain candidates and certain political committees while the Connecticut General Assembly is in session. (See Special Prohibitions and Requirements of Certain Political Committees in Section VI.)

(Section 9-333l(e), General Statutes; Commission Declaratory Ruling, May 8, 1991)

What is a Contribution?

A contribution includes any gift, loan, payment or expenditure of money, goods or anything of value made for the purpose of influencing the nomination or election of any individual to office.

A contribution may be monetary or non-monetary (in-kind). All contributions are counted towards the aggregate contribution limits which apply to the particular donor.

It is important for the treasurer to determine whether or not a receipt or expenditure constitutes a contribution that counts against the aggregate contribution limits allowed from the particular donor. These limits are discussed later in the Guide.

The following are examples of transactions that generally constitute contributions:

- A gift of money by an individual which may be by cash, personal check or other bank instrument. An individual may not make a cash contribution in excess of \$50 to a committee for the duration of the campaign. In addition, an individual may not make a contribution in excess of \$100 by bank instrument (e.g. money order, cashiers check) to a committee for the duration of the campaign. Any contribution in excess of \$100 must be made by personal check of the individual or signed credit card receipt.
- The transfer of monetary or non-monetary assets by a committee to another committee. Any monetary contribution by a committee to a candidate committee must be made by check drawn on the donor committee's designated depository account.
- The receipt or gift of goods, services or anything of value given free of charge or at less than the usual charge to the recipient committee (discount). Non-monetary receipts or expenditures which are contributions are referred to as in-kind contributions. An in-kind contribution must be valued at the usual and normal charge less any amount paid by the recipient committee. Subject to exceptions set forth in this Guide, "goods" includes such things as the use of real property for a committee headquarters, the use of personal property such as a computer, facilities, supplies, equipment and mailing lists.
- A loan of money made by any individual or entity other than a national or state bank in the ordinary course of business. Repayments made on the loan reduce the amount of the contribution. A guarantee of payment on a loan by a third party is not a contribution unless the committee defaults on the loan and the guarantor makes payment in satisfaction of the obligation. For further discussion on loans see section entitled "VI. SPECIAL TOPICS", "A Loan is a Contribution", Page 27.
- An expenditure by a person (including individuals and other committees) made with the cooperation of, in consultation with, or at the request or suggestion of the candidate or his or her committee, treasurer or other agent, constitutes a contribution (in-kind) to the committee. By contrast, an independent expenditure is one which is not made with the cooperation of, in consultation with, at the request or suggestion of the candidate, his or her committee, treasurer or agent. An independent expenditure is not a contribution.
- An extension of credit for a length of time beyond normal business or trade practice unless the creditor makes a commercially reasonable attempt to collect the debt.
- A written contract, promise or agreement to make a contribution.

(Section 9-333b(a), General Statutes)

Are Certain Monetary and Non-Monetary Receipts or Expenditures Not Considered Contributions?

Yes. There are various types of monetary and non-monetary receipts or expenditures, which, depending upon the donative source, the amount or value of the receipt or expenditure and whether or not the receipt or expenditure is provided or made for a fund-raising event, are not considered contributions.

The following are examples of receipts or expenditures which, although they may have to be otherwise reported, are not considered contributions, and are therefore not counted against the aggregate contribution limits:

- The candidate may give unlimited personal funds or resources into the candidate's own candidate committee, but not to any other committee — i.e. an exploratory committee. Monetary receipts from the candidate to the candidate committee must be reported by the treasurer of the candidate committee but are not contributions and hence there are no aggregate contribution limits applicable to transfers from the candidate's personal funds. If any person, including a relative or friend of the candidate, gives or loans the candidate money in connection with his or her campaign, the funds are not considered personal funds of the candidate. Instead, the gift or loan is considered a contribution from the donor to the campaign, subject to the contribution limits and reportable by the campaign.
- A loan of money made to a committee in the ordinary course of business by a bank or other financial institution.

(Section 9-333b(b)(1), General Statutes)

- Interest paid to the committee by the committee's depository institution.
- Communications advocating the election of the candidate made by a business entity, limited to its owners, stockholders, executive or administrative personnel or their family members, and similar communications made by an organization or association, limited to its members or their family members, are not contributions and this is true whether or not such communication is coordinated with the campaign of a candidate. A business entity, organization or association, in expressing its own views to its restricted class, may use brief quotations from speeches and other campaign-prepared material, but may not otherwise republish, in whole or part, campaign-prepared material. If a partisan communication is made to persons outside of this restricted class, such communication is a prohibited contribution. [Note: business entities and organizations are prohibited from making contributions and expenditures. See section entitled "VII. PROHIBITIONS ON CONTRIBUTIONS AND EXPENDITURES FROM CERTAIN SOURCES", Page 29.]
- Uncompensated services, such as legal or accounting services, provided by individuals volunteering their time to the committee.

(Section 9-333b(b)(4), General Statutes)

- Various types of receipts or expenditures occurring at a bona-fide fund-raising event. See section IV, entitled "FUND-RAISING EVENTS", Page 21 which explains these exceptions.

- Any unreimbursed travel expenses volunteered by an individual for his own travel on behalf of the candidate in a value not exceeding \$200 with respect to any single election.

(Section 9-333b(b)(7), General Statutes)

- The advance of a security deposit by an individual to a telephone company for telecommunications service for the committee, provided the security deposit is refunded to the individual. If the individual is not entitled to or loses entitlement to the refund, the deposit is a non-monetary receipt to the committee the value of which must be reported by the committee as an in-kind contribution.

(Section 9-333b(b), General Statutes)

What is an Expenditure?

An expenditure includes the following:

- A purchase or payment made, or the consumption of anything of value, for the purpose of influencing the nomination or election of the candidate.
- The transfer of funds or resources by the committee to another committee. However, as explained throughout this Guide, there are restrictions which apply to these transfers.
- An expense which has been incurred by the committee but not yet paid.
- Campaign expenses paid by the candidate from the candidate's personal funds. For special reporting requirements relating to these expenses, see section entitled "III. RESPONSIBILITIES OF THE TREASURER", "The Treasurer Alone May Authorize and Make Expenditures on Behalf of the Committee", Page 16.

II. RESPONSIBILITIES OF THE CANDIDATE

Authorization of a Valid Funding Source

No funds or other resources may be solicited or received, and no expenditures may be made, including those from the candidate's personal funds, unless the candidate first complies with the following three requirements:

1. designate and register a candidate committee,
2. designate a treasurer, and
3. designate a financial depository for the committee's funds.

(Sections 9-333d, 9-333f(a), General Statutes)

Generally, each candidate must register a single candidate committee to fund his or her campaign. However, there are certain exemptions from this requirement. (See section entitled "Exemption from Requirement to Form a Candidate Committee", on page 11). In addition a candidate for an undetermined office can register an exploratory committee. (See section entitled "When Designation of an Exploratory Committee is Permitted", on page 11).

Whether the candidate is required to register a candidate committee or is claiming an exemption, he or she must file either a registration or exemption statement with the Secretary of the State's office.

Designation and Registration of a Candidate Committee

The candidate must ensure that the candidate committee is registered with the office of the Secretary of the State prior to funds or resources being solicited, received or expended by or on behalf of the candidate.

Registration of a candidate committee is accomplished by filing with the Secretary of the State's office a form entitled "Registration of Candidate Committee," Form ED-49.

A Committee registration form is referred to in this Guide as "the registration statement." A registration statement contains the following information:

1. The name of the committee.
2. The name, address and party affiliation of the candidate.
3. The name and address of the committee's treasurer and deputy treasurer, if a deputy treasurer is appointed.
4. Identification of the name and address of the depository institution in Connecticut in which a single checking account is established for the committee's funds.
5. Identification of the office being sought by the candidate and the date of the applicable election or primary. For an exploratory committee, the candidate must specify "General Assembly or State Office including State Treasurer", or "General Assembly or State Office excluding State Treasurer", or "Other."

(Sections 9-333e and 9-333f(a), General Statutes)

A Candidate May Not Have More Than One Candidate Committee

A candidate is prohibited from having more than one candidate committee registered as the funding vehicle for the campaign. A candidate who has registered a candidate committee may not establish, authorize or assist in the establishment of any other committee to promote the candidate's campaign.

(Section 9-333f(b), General Statutes)

Consistent with this prohibition, the chairperson of a "political committee" formed solely to support a candidate is under an obligation to notify the candidate of the formation of the political committee by certified mail as soon as the political committee is established. If the candidate does not disavow the political committee in writing to the office of the Secretary of the State within fourteen days after receiving such notification, or if the candidate accepts any funds from the political committee, the political committee is automatically deemed to be a candidate committee. A violation of this prohibition against having two simultaneously existing committees is considered an extremely serious infraction of the election laws.

(Sections 9-333a(4) and 9-333f(c), General Statutes)

When and Where to File Registration and Exemption from Registration Forms?

Registration of a candidate or exploratory committee must be completed and filed with the Secretary of the State's office prior to any solicitation or acceptance of funds or other resources, or making of any expenditures, including expenditures from the candidate's personal funds.

If applicable, the “Exemption from Forming A Candidate Committee” statement must be filed by the candidate prior to soliciting or accepting funds or other resources, or making any expenditures.

(Sections 9-333d(a), 9-333f(b), 9-333g(a), General Statutes)

When and How to Amend a Registration Statement?

Any additions or revisions to a registration statement (i.e. a change in treasurer) must be made in writing to the Secretary of the State’s office within ten days of the addition or revision.

(Section 9-333g(c), General Statutes)

Appointment of the Committee’s Treasurer or Deputy Treasurer

In the case of a candidate committee, the candidate is required to appoint one individual, who is a registered voter in Connecticut, as treasurer and may appoint another individual as deputy treasurer. In the case of an exploratory committee, the chairperson is responsible for making the appointments. These appointments must appear on the committee’s most current registration statement. A designated committee treasurer and deputy treasurer must sign the registration statement signifying their acceptance of the appointment. Once appointed, the treasurer and deputy treasurer serve indefinitely, until such individual is either permanently incapacitated, replaced, or a resignation is filed with the office of the Secretary of the State. Written notice of the treasurer’s incapacity, replacement or resignation must be filed with the Secretary of the State’s office in order to relieve the treasurer from the statutory obligations under the Campaign Finance Laws.

(Section 9-333f(a) and 9-333h(a), General Statutes)

Upon a treasurer’s resignation, replacement or permanent incapacity, the deputy treasurer, if any, automatically succeeds as acting treasurer until such time as the candidate or chairperson, as the case may be, files with the Secretary of the State a designation of a successor treasurer. If no deputy treasurer has been appointed, the candidate or committee chairperson has ten days in which to designate a successor treasurer to fill the vacancy by filing an amended committee registration statement with the Secretary of the State’s office. The failure to designate a successor treasurer within this 10 day period is a violation of Section 9-333d(c), General Statutes, for which a fine penalty of up to \$2,000 can be imposed against the candidate or committee chairperson, as the case may be.

(Section 9-333d(c), General Statutes)

A committee may not transact business of any kind during a period in which the committee is without a treasurer or deputy treasurer. A candidate or committee chairperson, as the case may be, is legally liable for any such violation.

(Sections 9-333d and 9-333g, General Statutes)

An individual may serve as treasurer of multiple committees. However, a candidate may never serve as treasurer of a committee that is the authorized funding source of the candidate’s campaign. This is true whether or not the authorized funding source of the candidate’s campaign is a candidate committee or an exploratory committee.

Designation of a Depository for Committee Funds

The name and address of a single depository institution located in Connecticut must be designated on the committee’s registration form. All committee funds must be deposited

into a single checking account established within the designated depository and all expenditures may be made only by the treasurer from this one account.

(Sections 9-333d(a) and 9-333f(b), General Statutes)

Exemption from Requirement to Form a Candidate Committee

Candidates for office who do not want to form a candidate committee do not have to do so if a certification form, entitled “Certification of Exemption from Forming a Candidate Committee” (the Form B-4), is filed by the candidate with the office of the Secretary of the State. A candidate who has an exploratory committee and declares that he or she will seek nomination or election to a particular office must establish as candidate committee and can not utilize any of the exemptions.

The exemption statement sets forth an exclusive list of the qualifying conditions for which the exemption applies, which are as follows:

- a) the candidate is one of a slate of candidates whose campaigns are to be funded solely by a town committee or a slate committee formed for the single election or primary, and expenditures made on behalf of the candidate’s campaign are to be reported by the committee sponsoring his or her candidacy; or
- b) the candidate intends to finance his or her campaign entirely from personal funds and will not receive or expend funds from any other sources; or
- c) the candidate will not receive or expend in excess of \$500 from other sources.

As in the case of changes to registration statements ED-47 (political committees) or ED-49 (candidate committees), a change in the conditions previously set forth on Form B-4 will require the filing of an amended statement within 3 business days of any such change. The amended statement must indicate the new condition for which the candidate qualifies for the exemption. In the event that the candidate, as a result of any changes, no longer qualifies for the exemption under any of the qualifying conditions, the candidate must file with the Secretary of the State’s office within the three days a registration of a candidate committee (Form ED-49). Where the candidate establishes a candidate committee as a result of any change in circumstances from the candidate’s earlier filing, all of the designations applicable to candidate committees will then have to be included on the new registration (i.e. the candidate must designate a treasurer, a Connecticut depository institution, etc.)

(Section 9-333f(b), General Statutes)

When Designation of an Exploratory Committee is Permitted

If a candidate desires to raise or spend campaign funds but has not yet determined which particular elective office to seek, he may establish a political committee to support his candidacy for an undetermined office (known as an “exploratory committee”) instead of a candidate committee. An exploratory committee may be established if the candidate is considering more than one office.

Registration of an exploratory committee is accomplished by filing Form ED-47 entitled “Political Committee Statement of Organization” with the office of the Secretary of the State. This registration statement must designate the name and address of the committee treasurer, a deputy treasurer if any, the name and address of a Connecticut depository at which the committee’s single checking account will be opened, the date of the primary or election and whether the undetermined office being considered falls within the following

categories: “General Assembly or State Office including State Treasurer”, “General Assembly or State Office excluding State Treasurer”, or “Other Office”.

Within fifteen days of the declaration of his candidacy for a particular elective office, the candidate must terminate the exploratory committee and register a single candidate committee. The dissolution of an exploratory committee is further discussed in section entitled “X. TERMINATION OF THE COMMITTEE – DISTRIBUTION OF SURPLUS AND ELIMINATION OF DEFICITS”, “Exploratory Committees”, on page 33.

III. RESPONSIBILITIES OF THE TREASURER

Must Deposit All Committee’s Monetary Receipts

The committee’s treasurer is responsible for depositing all funds received by the committee within seven (7) days of receipt and must do so in the committee’s single checking account established with the committee’s designated depository.

(Section 9-333h(a), General Statutes)

The treasurer must ensure that any funds or resources received by the committee are lawful and within the aggregate limits permitted under the Campaign Financing Laws. Receipts which are either prohibited or otherwise in excess of the permissible limits set forth by law must be returned by the treasurer within seven days of receipt.

If a monetary receipt is deposited by the treasurer into the committee’s account and it is later determined by the treasurer to be unlawful, the treasurer must report it on the financial disclosure statement and refund the same without delay by returning the amount to the donor on a check drawn on the committee’s checking account. Any such refund must be reported as an expenditure along with a description of purpose (i.e. that the expenditure is a “refund of improper contribution”) on the financial disclosure statement corresponding with the period that the refund is made. Wherever possible, such refunds should be made in the same reporting period as the funds were deposited. The same rules apply to non-monetary receipts that are from improper sources or excessive in amount or value.

What Contributions May Be Lawfully Accepted By a Committee?

A Candidate Committee may accept:

Contributions from an individual¹ (including a candidate’s spouse), or a political

¹ An individual may contribute an additional \$250 to a candidate committee for any of these offices provided it is made to fund a delegate primary which is actually held and the candidate committee is the only funding vehicle for the delegate primary campaign. For further information about delegate primaries please see Commission publication entitled Fact Sheet on Delegate to Convention Primaries.

committee established by an organization may be accepted, subject to the following aggregate limits per donor², which are fixed by the type of office being sought by the candidate:

OFFICE SOUGHT	LIMITS
Governor	\$2,500
Lieutenant Governor Secretary of the State Treasurer Comptroller Attorney General	\$1,500
Sheriff	\$1,000
State Senator Judge of Probate	\$500
State Representative Exploratory Committee (undetermined office)	\$250

Table 1 - Contribution Limits of an Individual and a Political Committee established by an Organization.

(Sections 9-333q, and 9-333m, General Statutes)

Contributions from a political committee established by a business entity may be accepted, subject to the following aggregate limits per donor², which are fixed by the type of office being sought by the candidate:

OFFICE SOUGHT	LIMITS
Governor	\$5,000
Lieutenant Governor Secretary of the State Treasurer Comptroller Attorney General	\$3,000
Sheriff	\$2,000
State Senator Judge of Probate	\$1,000
State Representative	\$500
Exploratory Committee (undetermined office)	\$250

Table 2 - Contribution Limits of a Political Committee established by a Business Entity.

(Sections 9-333o(d), General Statutes)

Contributions from a party committee (State Central or town committee) without limit.

(Section 9-333s(a), General Statutes)

Contributions from a political committee established by two or more individuals may generally be accepted without limit. However contributions from a political committee formed by two or more individuals solely for (a) a referendum question, or (b) a slate of

² These limits apply separately to primaries and elections. For purposes of allocating donor contributions to a primary or election, any contribution made during the period beginning with the date that the committee was established through the date of the primary is counted towards the primary limitation, and any subsequent contribution is counted towards the election. For example, if the donor's contribution limit is \$250 and he contributes \$250 by primary day, then an additional \$250 may be given by the same donor for the election after primary day. Another donor who gave \$100 of the applicable \$250 limit by primary day would be allowed to give only another \$250 for the election. The application of these rules are dependent on two critical factors (a) a candidate must be challenged in a primary, and (b) timing of receipt of the donor's gift in relationship to primary day. Additionally, the candidate must win the primary in order to qualify for additional contributions relating to the election.

candidates for convention delegates or election to the town committee; or (c) slate committee, are prohibited.

(Section 9-333t(a), General Statutes)

A Candidate Committee may not accept:

Contributions from a national committee of a political party are prohibited.

(Section 9-333r(b), General Statutes)

Contributions from another candidate committee are prohibited as are contributions from a committee of a candidate for federal or out-of-state office.

(Section 9-333r(a), General Statutes)

Only the candidate's own exploratory committee may distribute surplus funds to the candidate's own candidate committee; surplus fund distributions are prohibited from an exploratory committee of an individual who is not the candidate of the recipient candidate committee.

(Section 9-333j, General Statutes)

Contributions from a business entity, labor union or other organization are prohibited.

(Sections 9-333o and 9-333p, General Statutes)

Contributions from any other committee or entity which is not registered in accordance with Connecticut's Campaign Finance Laws are prohibited.

Note: there are certain individuals and political committees, such as lobbyists, financial and investment entities or personnel, which are prohibited from making contributions to various candidates and committees. See section entitled "VII. PROHIBITIONS ON CONTRIBUTIONS AND EXPENDITURES FROM CERTAIN SOURCES", Page 29.

An Exploratory Committee may accept:

Contributions from an individual (including the candidate and the candidate's spouse), and a political committee established by an organization or business entity may be accepted, subject to a \$250 aggregate limit per donor³.

(Sections 9-333q(b), 9-333o(e), 9-333t(a), 9-333u(a) and 9-333m, General Statutes)

Contributions from a party committee (State Central or town committee) without limit.

(Section 9-333s(a), General Statutes)

Contributions from a political committees established by two or more individuals may be accepted subject to an aggregate limit of \$250. However contributions from political committees formed by two or more individuals solely for (a) a referendum question, or (b) a slate of candidates for convention delegates or election to the town committee; or (c) a slate committee or (d) another exploratory committee, are prohibited.

(Section 9-333t(a), 9-333j(a), General Statutes)

An Exploratory Committee may not accept:

Contributions from a national committee of a political party are prohibited.

(Section 9-333r(b), General Statutes)

³ Contributions to an exploratory committee are not counted against the particular donor's contribution limit with respect to the same candidate's candidate committee. The exploratory committee's surplus and liabilities must be transferred to the candidate committee of the same candidate.

Contributions from another exploratory or candidate committee are prohibited, as are contributions from committees of candidates for federal or out-of-state office.

(Section 9-333r(a), General Statutes)

Contributions from a business entity, labor union or other organization are prohibited.

(Sections 9-333o and 9-333p, General Statutes)

Contributions from any other committee which is not registered in accordance with Connecticut's Campaign Finance Laws are prohibited.

Note: there are certain individuals and political committees, such as lobbyists, financial and investment entities or personnel, which are prohibited from making contributions. See section entitled "VII. PROHIBITIONS ON CONTRIBUTIONS AND EXPENDITURES FROM CERTAIN SOURCES", Page 29.

A Campaign Committee May Not Accept Certain Monetary Receipts Depending on the Method of Payment

Monetary receipts from individuals may not be accepted by the committee unless the following methods of payments are used:

- a) An amount \$50 or less may be accepted if made by cash, personal check, bank instrument or credit card, provided a signed credit card slip is received from the individual donor;
- b) An amount between \$50 and \$100 may be accepted if made by bank instrument, personal check or credit card with signed receipt only (a bank instrument that does not bear a legible signature is considered to be a cash contribution); and
- c) An amount in excess of \$100 may be accepted if made by personal check or credit card only.

(Sections 9-333x(9) and 9-333m(e), General Statutes, SEEC Advisory Opinion No. 75-5)

With respect to these rules, the term "bank instrument" includes money orders, bank cashier's checks and teller's checks but does not include credit card payments from the donor.

Monetary receipts from any other committee which is a proper source of funds must be made by check drawn on the committee's designated depository institution.

There is a \$15 dollar limit on acceptance of anonymous cash receipts to the committee. Any anonymous cash receipt of \$15 or less may be accepted and deposited by the committee treasurer in the same manner as any other monetary receipt.

Any anonymous cash receipt which exceeds \$15 must not be accepted but rather must be immediately forwarded by the committee's treasurer in full to the State Treasurer for deposit in the General Fund of the State of Connecticut. You are advised to check with the State Elections Enforcement Commission before remitting funds to the State Treasurer.

(Section 9-333h(b), General Statutes)

AMOUNT OF AGGREGATE CONTRIBUTION(S)	PERMISSIBLE METHOD OF PAYMENT	INFORMATION THAT IS REQUIRED FROM CONTRIBUTOR	FROM AN INDIVIDUAL UNDER 16
\$0 - \$30.00	Cash, or any bank instrument	Name and Address	Yes
\$30.01 - \$50.00	Cash, or any bank instrument	Name, Address and Lobbyist Status (if applicable)	No
\$50.01 - \$100.00	Any bank instrument	Name, Address and Lobbyist Status (if applicable)	No
\$100.01 - \$1,000.00	Personal Check or signed credit card slip	Name, Address, Lobbyist Status (if applicable), Principal Occupation and Employer	No
\$1,000.01 or more	Personal Check or signed credit card slip	Name and Address, Lobbyist Status (if applicable), Principal Occupation, Employer, and a statement indicating whether the contributor or any business associated with contributor has a contract for more than \$5,000.00 with the State	No

Table 3 - Contribution Requirements Applicable to Individuals.

The Treasurer Alone May Authorize and Make Expenditures on Behalf of the Committee

The treasurer is the only individual who may authorize and make expenditures on behalf of the committee. However a treasurer may reimburse any individual for an authorized expenditure made on behalf of the committee (i.e. purchase of supplies for the committee). All committee expenditures must be made by check drawn on the committee's checking account.

(Section 9-333i(d), General Statutes)

A candidate or committee worker may not be reimbursed by the committee for payments that are not permissible expenditures under the statute. A candidate or committee worker may be reimbursed by the treasurer for goods or services purchased for the committee (i.e. stamps, paper, supplies, etc.) if the following criteria is satisfied: (1) the candidate or worker has paid for any permissible expenditure from his or her own personal funds, (2) the treasurer authorized the expenditure, (3) the candidate or worker provides the treasurer with a written receipt from the vendor proving payment by the candidate or worker, and (4) the expenditure is not a contribution to any other committee.

(Section 9-333i(j), General Statutes)

A candidate is required to report to the treasurer each campaign expenditure of more than \$50 that he or she has paid from personal funds. This disclosure must be made by the close of the relevant reporting period and must be made even if the candidate does not seek reimbursement. The only exception to this disclosure requirement are campaign expenditures made by the candidate for telephone calls, travel and meals for which the candidate does not seek reimbursement, and this is irrespective of the dollar amount. The candidate must indicate whether or not reimbursement is sought at the time of this disclosure.

What is A Permissible Expense?

All expenditures must be made to promote the nomination or election of the candidate who established the committee. Permissible expenses include the rental of real and personal property, the purchase of computer equipment and supplies, purchasing professional services, office supplies, polling, utility costs for campaign headquarters, printing, postage, photocopying, compensation of campaign staff, travel costs of the candidate and advertising.

(See Section 9-333i(g), General Statutes, for a complete list of permissible expenditures.)

No goods, services, funds and contributions received by any committee shall be used or be made available for the personal use of any candidate or individual. Expenditures for “personal use” include expenditures to defray normal living expenses for the candidate, the immediate family of the candidate, or any other individual. Expenditures for the personal benefit of the candidate or other individuals are those which have no direct connection with, or effect upon, the campaign of the candidate.

(Section 9-333i(g), General Statutes, as amended by P.A. 95-276, effective January 1, 1996)

Other improper expenditures include personal expenditures of committee officers or workers which have no substantial relationship to the lawful activity of the committee.

A candidate committee can not transfer funds to any other committee or make expenditures which benefit other candidates or committees. However, see exceptions in the next section.

Expense Sharing by Committees

A candidate committee is generally prohibited from making any contributions or expenditures which benefit other candidates or committees. However, there are two exceptions to this rule.

(Section 9-333r(a), General Statutes)

A candidate committee may pay its pro rata share of the expenses of operating a campaign headquarters and of preparing, printing and disseminating any political communication on behalf of that candidate and any other candidate or candidates.

(Section 9-333r(a)(5), General Statutes)

A candidate committee may reimburse a party committee for any expense incurred by the party committee to benefit the candidate.

(Section 9-333l(b), General Statutes)

Fundraising Events Held To Benefit Two or More Candidates

Two or more candidate committees may form a separate political committee for the purpose of holding one or more fund-raising events to benefit the candidates’ campaigns.

Prior to any fund-raising event held by the committee, the candidates must determine how the net proceeds will be divided. This can be done either on an equal basis or by any other ratio agreed upon by the candidates.

Each monetary receipt, whether or not a contribution, will be attributed to the donor and distributed to each of the committees which formed the political committee in accordance with the candidates’ prior agreement, or on an equal basis if there is no agreement, provided that notice of how the proceeds are to be divided must be given to those solicited and attending the fund-raising event. Receipts so divided must be counted against

any aggregate limits applicable to donors giving to the candidates' committees. This counting of limits applies to both contribution limits and the ceilings applicable to transactions that are exemptions from contributions.

After each fund-raiser is held and all of the expenses related thereto are paid by the treasurer of this political committee, the proceeds must be distributed to each of the candidates' committees in the applicable distribution ratio of the event(s). Funds may be transferred to the political committee by each of the candidate's committees to pay expenses of the event, but must be in accordance with the allocation ratio agreed upon for division of the proceeds. Within seven (7) days of the last intended joint fundraising event, the treasurer is required to distribute the final proceeds, dissolve the committee and file a final financial disclosure statement with the office of the Secretary of the State.

(Section 9-333(a), General Statutes)

The Treasurer May Establish a Petty Cash Fund

The treasurer of a committee is permitted to establish a single petty cash fund by drawing a check on the committee's account in an amount which may not exceed \$100. The treasurer may replenish the petty cash fund from time to time provided that the total balance of the fund may never exceed \$100 and provided further that the fund is not replenished more than twice in any seven (7) day period.

Expenditures made from a petty cash fund are limited to \$25 per transaction (i.e. purchase of supplies for the committee) and must be reported by the treasurer in the same manner as any other expenditures. The treasurer must maintain a written account of all petty cash expenditure disbursements and keep such records for four (4) years from the date of the report in which they were disclosed.

(Section 9-333(e), General Statutes)

Treasurer May Appoint Solicitors

All solicitors must be appointed by the treasurer. Solicitors may solicit and receive monetary and non-monetary donations on behalf of the committee, including but not limited to selling tickets to fund-raising events sponsored by the committee as well as engaging in door-to-door solicitation of individuals.

The solicitor may never deposit committee funds; only the treasurer may deposit funds received by the committee. The solicitor must within ten days of receipt of any funds or resources deliver the same to the treasurer for acceptance. The treasurer must deposit funds within seven days of his receipt from the solicitor. A solicitor also may not expend funds he or she receives, and must deliver them only to the treasurer, in the form (cash or check) he or she received them.

There are no limitations on the number of solicitors that the treasurer may appoint.

No later than one day prior to the close of the reporting period, each solicitor must submit to the treasurer a list of the names and addresses of all persons from whom or from which monetary or non-monetary receipts were collected by the solicitor on behalf of the committee.

(Section 9-333h(c), General Statutes)

The treasurer should keep an accurate list of the name and address of each individual who is appointed to serve as a solicitor. Although the names of solicitors need not be

disclosed in the treasurer's financial disclosure statements, the law requires the treasurer to keep internal records, which may be subject to audit, including a record of each such appointment and the term of appointment.

Treasurer Must Retain A Record Of All Committee Monetary and Non-Monetary Receipts and Expenditures and Must Keep Internal Records

The treasurer must retain bank statements, deposit tickets, bills, invoices and canceled checks relating to all committee receipts as well as all expenditures, including cash register receipts or other satisfactory documentation from the candidate and committee workers who have been reimbursed for items they purchased directly. These internal records must be kept for four years from the date on which the termination report is filed. Internal records must be kept in support of each entry on the treasurer's statement of receipts and expenditures, including payroll authorization cards, solicitor appointments, copies of tickets printed, invitations and program books for fundraising events, compensation and loan agreements, etc. It is strongly recommended that copies of checks received be kept.

(Section 9-333i(f)(j), General Statutes)

The treasurer is required to publicly disclose in the committee's financial statements the different categories of information of each individual who has contributed in excess of \$30 in the aggregate during the campaign. See Table entitled *Contribution Requirements Applicable to Individuals*, on Page 16. Consequently, it is important to internally record the contributor information on a ledger, computer, or index card system to ensure that the reporting requirement is satisfied at the time the individual exceeds the \$30 threshold.

(Section 9-333j(c), General Statutes)

Treasurer Files Periodic Disclosure Statements of the Committee's Receipts and Expenditures

The treasurer must file a financial disclosure statement with the office of the Secretary of the State by the following due dates: the second Thursday of January, April, July and October, on the 7th day prior to the election and, if the candidate is in a primary, on the 7th day prior to the primary. A more specific calendar, with the actual filing dates and reporting periods, is available from the State Elections Enforcement Commission and the Secretary of the State. Reports are timely if they are either postmarked by the United States Postal Service before midnight on or before the required filing day or delivered by hand to the office of the Secretary of the State by the close of business hours on or before the filing deadline day.

(Section 9-333j(a), General Statutes)

The financial disclosure statement, entitled "Statement of Receipts and Expenditures", Form ED-45, itemizes all financial activity identifying the name and address of the source of all monetary receipts of the committee, all non-monetary receipts constituting in-kind contributions to the committee and the value thereof, as well as all contributions and expenditures made by the committee. The treasurer may electronically replicate this form and file a computer print-out or, if necessary, may use the pre-printed paper form provided by the Secretary of the State which may include, where necessary, typed schedules and attachments.

The treasurer of a committee may be able to use, for some reports, an unitemized short form disclosure statement, entitled "Exemption for Itemized Reporting", Form ED-46, which certifies that the committee has not had monetary or non-monetary receipts or made expenditures in excess of \$1,000 from the time of its creation to the close of the relevant reporting period.

Once an itemized financial disclosure statement is required for the transactions of the committee, the committee treasurer must then continue to use the itemized disclosure statement entitled "Statements of Receipts and Expenditures", Form ED-45, for all of the committee's remaining required financial disclosure statements. Further, the first itemized disclosure statement must include all of the reportable financial transactions which have occurred since the creation of the committee through to the end of the reporting period covering the first itemized financial disclosure statement.

Each disclosure statement must include the financial activity of the committee beginning the first day not included on the last report and ending as of seven (7) days immediately preceding the required filing date.

In addition to the quarterly and pre-election reports, financial disclosure statements are required to be filed within forty five (45) days after the election or within thirty (30) days following an unsuccessful primary, if applicable.

Following an election or unsuccessful primary, the candidate committee must be terminated. There are additional reporting requirements relating to the dissolution of these committees (making up deficits, distributing surpluses). Please refer to section entitled "X. TERMINATION OF THE COMMITTEE – DISTRIBUTION OF SURPLUS AND ELIMINATION OF DEFICITS", Page 33 for more information concerning these reporting requirements.

Late Filing Fees

Failure to file by the day the financial disclosure statement is due subjects the treasurer to a \$55 automatic late filing fee, which must be paid by the treasurer from personal, not committee, funds. Late filing fees are payable to the Secretary of the State.

(Section 9-333y, General Statutes)

Additionally, the failure by the treasurer to file the disclosure statement within 7 days after receiving a failure to file notice from the Secretary of the State may subject the treasurer to additional civil penalties of up to \$1,000 administered by the State Elections Enforcement Commission and possible criminal sanctions, including fines and/or imprisonment for up to one year, for each such failure to report.

Copies of Reports

The treasurer must provide the candidate and committee chairman, if applicable, with a copy of the disclosure statement at the time of filing.

IV. FUND-RAISING EVENTS

Fund-raising events are a very popular means used by committees to raise funds for a campaign. The issues which most commonly arise concerning a fund-raising event are whether the funds or resources given or received at the event are treated as contributions or receipts which are not contributions, and how to disclose them on the treasurer's financial disclosure statement.

Whether Monetary and Non-Monetary Receipts Constitute Contributions

As previously stated, certain monetary and non-monetary receipts are not considered contributions under the law. Each monetary receipt is a "contribution" unless it falls within one of the narrowly tailored exemptions provided under the law.

All monetary receipts must be reported by the treasurer, whether or not such receipts constitute contributions. However, only non-monetary receipts which constitute contributions need be reported. A monetary receipt is required to be reported as either a contribution or a receipt, but it can not be reported as both. Receipts that are not contributions must be within certain value limits to fall within the applicable exemption from the definition of contribution; and once these limits are exceeded, the entire receipt must be reported as a contribution. A monetary receipt for an item purchased at a fund-raising event is not reduced by the value of the item (i.e., price paid for television purchased at a committee sponsored tag sale is not diminished by the fair market value of the television)

The difference in treatment between monetary and non-monetary receipts which constitute contributions and those which do not is not, for purposes of these limitations and reporting requirements, dependent upon whether a profit is made by the committee which sponsors the fund-raising event. The following is a list of the most significant types of monetary and non-monetary receipts which are not considered contributions:

- The donation or purchase by an individual of an item of personal property to a committee for a fund-raising event if the aggregate amount of the donation or purchase does not exceed \$50.

(Section 9-333b(b)(9), General Statutes)

Example A. Jane Doe donates three cakes to a committee to be sold at a bake sale, and the value of each cake is \$10, or a total of \$30. This is a non-monetary receipt which is not a contribution and need not be disclosed.

Example B. Jane Doe purchases a used television for \$60 at a committee sponsored tag sale. She has made a \$60 contribution because the value of the purchase is over \$50. This monetary receipt constitutes a contribution from Jane Doe of \$60 which is counted against her contribution limit to the committee and must be separately itemized in Section B of the disclosure statement entitled "Contributions From Individuals Over \$30 in Aggregate."

- The donation by a business entity of goods or services for a fund-raising event if the aggregate value of the goods or services does not exceed \$100.

(Section 9-333b(b)(12), General Statutes.)

Example C. ABC Corporation, a printing company, gives free of charge tickets it has printed to a committee for a fund-raising picnic worth \$90 in value. This is a non-monetary receipt which is not a contribution and is not reportable.

Example D. The same corporation donates \$110 worth of tickets to the fund-raising event. It has made a prohibited contribution because the value of the tickets exceeds \$100 and therefore this exemption does not apply. The in-kind contribution may not be accepted and must be returned immediately by the treasurer or the committee may purchase the tickets from ABC Corporation.

- The purchase by a business entity of advertising space in a program book for a fund-raising event held by a committee if the purchase price for the space does not exceed \$250. Unlike the other fund-raising event exceptions which apply separately to each fund-raising event conducted by the committee, the \$250 advertising space purchase exception applies cumulatively to all purchases by the same business entity during the entire campaign of the candidate.

(Section 9-333b(b)(10), General Statutes.)

The Commission has defined the term “fund-raising event” to include a luncheon, dinner, reception, rally, auction, bingo or similar gathering through which monetary receipts are solicited or received by purchase of a ticket, payment of an attendance fee or through the purchase of goods or services. A proper program booklet should reference the date of the fund-raising event and include a program. For it to be eligible for this exception, a “fund-raising event” must be held.

Example E. XYZ Corporation purchases advertising space in a program booklet for a fund-raising dinner sponsored by a committee and the cost of the advertisement is \$200. This monetary receipt from the corporation is not a contribution and may be accepted. As previously stated, all monetary receipts must be reported by the treasurer whether or not it constitutes a contribution to the committee. The amount is reported in the name of XYZ Corporation with other advertising receipts in Section K of the committee’s disclosure statement. XYZ Corporation may subsequently purchase no more than \$50 of advertising space in program booklets for fund-raising events held by the same committee throughout the campaign. *For the exception to apply, the committee must conduct a bona fide fund-raising event and produce a bona fide advertising booklet.*

- The purchase by “persons” other than business entities of advertising space in a program book for a fund-raising event conducted by the committee if the purchase price of the space does not exceed \$50. “Other persons” for this purpose may be individuals, committees, labor unions or other organizations, trade or professional associations. This \$50 advertising space exception also applies cumulatively for the life of the candidate’s campaign.

(Section 9-333b(5), General Statutes.)

- There are special provisions relating to expenses of a fund-raising event held for a candidate in the personal residence of an individual. No contribution is made by the host for expenses paid by the host for invitations, food or beverages for the event if the aggregate cost to the host does not exceed \$200. These costs are in-kind receipts which are not counted against such individual’s contribution limit and need not be disclosed by the treasurer. However, if the cost to the host exceeds

\$200, the entire value is an in-kind contribution which is counted against the contribution limit of the individual and must be disclosed in Section M of the treasurer's financial disclosure statement. This exemption does not apply to hosted events outside of an individual's personal residence.

(Section 9-333b(b)(5), General Statutes.)

- Note: The exemption for the purchase of tickets to a fundraising event of \$30 or less has been repealed effective January 1, 1998. All tickets purchased are therefore treated as contributions.

(Special Session Public Act 97-5)

Reporting of Fund-raising Events

The treasurer is required to disclose all monetary receipts of a fund-raising event whether or not such receipt constitutes a contribution to the committee. All monetary receipts which are contributions must be reported in Section A if the contributor has contributed \$30 or less in the aggregate since the beginning of the campaign or else itemized in Section B of the disclosure statement; and each non-monetary receipt which is a contribution must be itemized in Section M of the committee's disclosure statement (In-Kind Contributions). The purchase of fundraising tickets are considered contributions, and therefore must be reported in Section A or B, dependent upon the amount purchased by the contributor.

The total of all funds received in connection with a fund-raising event which do not constitute contributions must be disclosed in the aggregate in Section K of the committee's disclosure statement. Section K requires separate itemization of monetary receipts which do not constitute contributions and which were received for purchases of advertising space in fund-raising program booklets. Such itemization must include the name and address of each such purchaser and amount. Non-monetary receipts which do not constitute contributions need not be disclosed.

The date, ticket price and description of each fund-raising event (i.e. raffle, dinner) is required to be reported in Section K.

Each expenditure made by the committee for the fund-raising event must be separately itemized and disclosed by the treasurer in the same manner as any other committee expenditure in Section N. The treasurer cannot merely disclose the net proceeds of the event.

V. REPORTING INFORMATION

Who Reports?

The treasurer, or in his absence or inability, the deputy treasurer.

How and Where to Report?

By filing the "Statement of Receipts and Expenditures", Form ED-45, or if applicable, the "Exemption From Itemized Reporting", Form ED-46, with the office of the Secretary of the State.

When to Report?

See section entitled “Treasurer Files Periodic Disclosure Statements of the Committee’s Receipts and Expenditures”, Page 19.

What Information Must Be Reported?

- All monetary receipts whether or not such receipts constitute contributions; all non-monetary receipts that constitute contributions; and all expenditures made by the committee must be reported on the financial disclosure statement.
- Monetary and non-monetary contributions of over \$30 in the aggregate received from an individual requires disclosure of the donor’s name and address, amount received during the relevant reporting period, date of the contribution and the aggregate amount given during the campaign in Section B, if monetary, or Section M, if non-monetary, of the disclosure statement. In addition, all non-monetary contributions are itemized and require a description of the contribution in Section M of the disclosure statement. In addition, if a contribution in excess of \$30 in the aggregate for the campaign is received from a lobbyist, or the spouse or dependent child of a lobbyist, the treasurer must also include lobbyist status in addition to the contributor’s name and address on the disclosure form. Please note that it is the responsibility of the lobbyist or family member of the lobbyist to provide this information to the treasurer. The treasurer cannot be held liable for non-disclosure if the donor fails to provide it.

(Section 9-333j, General Statutes)

- Any individual who contributes to the campaign in the aggregate in excess of \$100, but not more than \$1,000, in addition to providing the treasurer with his name and address, must provide the treasurer with his occupation and the name of his principal employer.
- Any individual who contributes to the campaign in the aggregate in excess of \$1,000, in addition to providing the treasurer with his name, address, occupation and the identify of the individual’s employer, must further provide the treasurer with a statement indicating whether the contributor, or any business with which the contributor is associated, has a contract with the state which is valued at more than \$5,000. A “business with which he is associated” refers to any business in which the contributor is a director, officer, owner, limited or general partner, or stockholder of 5% or more of the total stock of the business. The treasurer is required to request this information from the contributor, by certified mail. If this information is not provided, the treasurer may not deposit any contributions which would cause the \$1,000 threshold to be exceeded and the same must be returned.

(Section 9-333j)(c) General Statutes)

- The sum of all monetary contributions from individuals (as distinguished from other sources such as other committees) of \$30 or less in the aggregate during the campaign is disclosed as an unitemized total, and entered in Section A of the form entitled “Total Contributions From Small Contributors—This Period Only”. *Note:* As soon as monetary contributions from such individual exceed \$30 for the campaign in any reporting period, the itemized contribution information above must be disclosed and entered in Section B.

- Anonymous monetary receipts of \$15 or less during the reporting period are reported in Section D and must include the denomination of the bills and the total value of all coins received anonymously.
- The name and address of any bank or other lender which has made a loan to the committee and the principal amount of the loan received in a reporting period must be disclosed in Section I, "Loans Received," along with the name and address of any individual or legal entity who is a guarantor or co-signor of the loan. Loans must be continuously reported as a debt, under item 14 of the Summary Page of the itemized financial disclosure statement, until paid.
- The date, ticket price and description of each fund-raising event (i.e. raffle, dinner) is required to be reported in Section K.
- Any funds provided by the candidate to his or her candidate committee for which no repayment is expected. These candidate gifts are not subject to limits and must be reported in Section G, "Personal Funds of the Candidate". Any loan by the candidate must be reported in Section I, "Loans Received." *Note:* A candidate's gift or loan to his or her exploratory committee is subject to the \$250 limit applicable to all other individual donors.
- Any receipt during the reporting period from another committee must be reported as either a contribution, a monetary receipt which is not a contribution (i.e. purchase of advertising space); or a reimbursement relating to expense sharing. Any such transfer of funds or resources must be reported in the name of the donor committee along with such committee's treasurer's name and address and entered in Sections C, K or M of the disclosure statement, respectively.
- All other monetary receipts which do not constitute contributions must be disclosed. Examples include interest posted or received from deposits in authorized investment accounts (reported in Section H); bank credits or refunds (reported in Section J); and certain other monetary receipts from fund-raisers (purchases of goods or ads in program booklets reported in Section K).

(Section 9-333j, General Statutes)

In-Kind Contributions

An in-kind contribution is the donation of goods, services or anything of value given free of charge or at less than the usual charge to the recipient committee. An in-kind contribution is valued at the usual and normal charge less any amount paid by the recipient committee.

A discount is the difference between the usual and normal charge for goods or services and the amount charged to the recipient candidate or committee. A discount is a type of in-kind contribution.

A business entity may sell to a candidate committee food or beverage at a discount as long as the charge is not less than the cost to the business entity and the cumulative value of the discount given is not more than \$200 with respect to any single election. These discounts are not considered in-kind contributions because of this exception.

(Section 9-333j, General Statutes)

Contributions of goods and services must be disclosed in the same manner as contributions by check or in cash. Note: Uncompensated services provided by an individual who volunteers his or her time to a committee is not an in-kind contribution and need not be reported.

An expenditure made by another individual, other committee or other entity of any kind), that is coordinated with, authorized by, or provided at the request or suggestion of the committee or its agent is an in-kind contribution to the committee and must be reported as such in Section M of the committee's financial disclosure statement.

Each treasurer of a political or party committee which makes an in-kind contribution of goods to a candidate committee is required to send written notice to the recipient committee treasurer setting forth the donor treasurer's valuation of the in-kind contribution. This notice must be sent before the close of the reporting period in which the in-kind contribution was made. The notice must be signed by the treasurer of the donor committee and include the full name of the donor committee, the date on which the contribution was made, and a complete description of the contribution as well as a statement of the value of the contribution. Any dispute concerning the information contained in such notice will be resolved by the treasurer of the recipient committee. The treasurer is required to preserve each such notice issued or received for four years from the date of filing of the committee's termination report.

(Section 9-333h(a), General Statutes)

Expenditures

Each expenditure, regardless of the amount, must be separately itemized with the following information: the payee's full name and address, the amount, date and code for the specific purpose of the expenditure.

- Expenditures are reported in Section N of the committee's financial disclosure statement. The treasurer must indicate whether the expenditure was made in connection with a fund-raising event by reference to the coded purpose.
- Each loan repayment is reported separately. The name and address of each bank or other lender, the amount and date of the repayment or partial repayment (principal plus interest) on the loan during the applicable reporting period must be reported in Section N.
- Each expense incurred but not yet paid must also be separately itemized in the same manner as expenditures paid. Expenses incurred but not paid are reported in Section O.
- Each expenditure which constitutes a reimbursement to a committee worker or to the candidate must include a description of the item(s) purchased by such individual.
- Expenses paid directly by the candidate from his or her own personal funds must be itemized in Section P and signed by the candidate. Any expense for which the candidate seeks reimbursement must be reported. In addition, any unreimbursed expense of more than \$50 must also be reported, except telephone calls, travel and meals.
- If a consultant is paid by the committee to provide services, the disclosure of each payment to the consultant must also include an attached itemized schedule of the payments the consultant has made to other vendors on behalf of the committee (secondary payees).

(Section 9-333i(j), General Statutes)

Other reporting information

- All monetary receipts, whether or not they constitute contributions, are reported in the period received.
- Loans received by the committee from a source other than a bank or other financial institution are considered contributions until the principal amount of the loan is repaid. Such loans may never exceed the permissible contribution limits applicable to the donor and may never come from a prohibited source.
- Monetary receipts in the form of checks written on joint accounts are attributed to the individual who signs the check.

(Section 9-333h(b), General Statutes)

- A monetary receipt in the form of a money order which bears a legible signature of the donor is considered a bank instrument. If the money order does not bear a legible signature it is considered to be “cash” and should be reported as such.

(Section 9-333m(e), General Statutes; State Elections Enforcement Commission Advisory Opinion No. 75-5)

- All funds received and accepted by the committee’s treasurer must be deposited into the committee’s single checking account in a Connecticut depository institution. However, funds may be withdrawn by the treasurer from this checking account for placement in investment accounts to earn higher interest. Monetary receipts received by the committee can not be deposited directly into these investment accounts but must be first deposited into the single checking account; nor can expenditures of any kind be made directly from such investment accounts except for the purpose of redepositing the funds into the single checking account established within the designated depository. All monies, including interest, must be returned to the checking account before the funds may be expended.

Further, the aggregate balance of all such accounts must be reported in the balance on hand on the committee’s disclosure statements. However, transfers made between the committee’s checking account and the committee’s investment account(s), if applicable, need not be reported as expenditures.

VI. SPECIAL TOPICS

A Loan is a Contribution

Loans are considered by law to be contributions except loans made in the ordinary course of business by a bank. Loans which are contributions are subject to the overall limit on contributions to the committee. The amount of the contribution is equivalent to the principal amount of the outstanding loan. An unpaid loan, when added to other contributions from the same donor, may not exceed the contribution limit applicable to that donor. Repayments made on the loan reduce the amount of the contribution. Once repaid in full, a loan no longer counts against the donor’s contribution limit.

A loan is not a contribution if it is made by the candidate to his candidate committee or, by a bank or other financial institution in the ordinary course of its business to any committee. [Note: any amount given by a candidate to his exploratory committee is a contribution, limited to an aggregate total of \$250.]

All loans are reported in Section I, regardless of whether they are considered contributions. A written agreement must be executed by the committee treasurer and the individual or entity making the loan, and a copy of the agreement must be retained by the treasurer for the same period as other internal records. A loan must be continuously reported as a debt until repaid.

Computers Used or Acquired by Campaigns During Candidate's Campaign

Use of Personal Computer at Home

The use of a computer owned by an individual in his home for campaign purposes is permitted. Such individual may be the candidate, the candidate's treasurer or any other individual. Use of a personally owned computer in this manner is not a contribution and does not need to be reimbursed by the campaign. A home computer may be used by the individual for personal purposes as well as for the campaign.

(Section 9-333b(b)(4), General Statutes)

Committee May Purchase Computer

A committee may purchase a computer for the campaign at fair market value. A computer purchased with campaign funds must be used exclusively for the campaign and no personal, business or non-campaign use of the computer is permitted by statute.

(Section 9-333i(g)(2), (4), General Statutes)

Committee May Lease Computer

1. Leasing Computer at Fair Rental Value

The committee may lease or rent a computer from any source, including the candidate, at fair rental value. A written memorandum of the terms of the rental agreement must be made, signed and dated, and kept as an internal record of the committee. The committee's payments under the lease must be reported as expenditures. Lastly, if the candidate is the one leasing the computer to the campaign, the candidate may not receive rental payments which exceed the candidate's cost of purchasing the equipment even if such payments are equal to the fair rental value. Personal use of a computer leased or rented by the campaign is not allowed.

(Section 9-333i(g)(2), (3), (4), General Statutes)

2. Leasing Computer at Less Than Fair Rental Value

Leasing a computer to the committee at less than the fair rental value is an in-kind contribution which, depending upon the source, may constitute either an excessive contribution or a contribution from an improper source. A candidate may make unlimited contributions to the campaign, so there is no possibility of an excessive contribution being received from the candidate. Under these circumstances, the difference between the fair rental value of the computer and the amount actually charged to the committee must be disclosed in Section M as an in-kind contribution received by the committee. There are other contributors, such as political parties, who may make unlimited contributions to the campaign and these same reporting rules for in-kind contributions apply. Contributors with aggregate limits may only make an in-kind contribution of a computer up to the applicable contribution limit; a discounted lease arrangement valued at more than this limit would constitute an excessive contribution. Sources which may not properly make

contributions to the committee, such as business entities, must lease the computer at fair rental value only.

Loaned Computer

Loaning a computer to the committee without charge is an in-kind contribution which is permissible only if it comes from a source which may make contributions, subject only to the aggregate contribution limits applicable to such donor. Personal use of a computer loaned to the campaign is not allowed.

Disposition of Computer Upon Termination of Committee

Purchased Computer

The computer may be sold to any buyer for fair market value. The proceeds of this sale must be used to pay off the debts of the campaign or as part of a surplus distribution.

If the committee is indebted to the candidate, the computer may be transferred to the candidate to satisfy any or all of the debt.

In the alternative, the computer may be distributed as non-cash surplus along with any other purchased equipment and surplus funds to any eligible recipient, see section entitled "X. TERMINATION OF THE COMMITTEE – DISTRIBUTION OF SURPLUS AND ELIMINATION OF DEFICITS", Page 33.

Leased Computer

Return computer and discontinue lease.

Loaned Computer

Return computer and discontinue use.

VII. PROHIBITIONS ON CONTRIBUTIONS AND EXPENDITURES FROM CERTAIN SOURCES

Restrictions on Individuals Less Than 16 Years of Age

An individual who is less than 16 years old may not make contributions to a candidate's campaigns in excess of \$30 in the aggregate.

(Section 9-333m(f), General Statutes, as amended by Special Session P.A. 97-5 Section 13)

Lobbyist Ban on Campaign Gifts to Candidates for State Offices and General Assembly

During certain legislative sessions, lobbyists or political committees established by or on behalf of a lobbyist may not solicit, offer or give money or anything of value, whether or not a contribution, to or for the benefit of any candidate or exploratory committee for any General Assembly or State Office, or to or for a political committee established for an assembly or senatorial district, or created or controlled by a General Assembly member or State officer, or such member's or officer's agent. For purposes of the lobbyist campaign gift ban, it does not matter whether the monetary or non-monetary receipt from the lobbyist is a "contribution" or not; all such transactions are prohibited.

(Section 9-333l(e), General Statutes)

When is the Lobbyist Campaign Gift Ban Applicable?

The ban is applicable during any regular session of the General Assembly, and during each special or veto session in the odd numbered years. The ban begins when each session convenes and ends when the session is adjourned. [Note: The ban does not apply to special sessions and veto sessions of the General Assembly in even numbered years and when the legislature is not in session.]

Are there Other Exceptions to the Ban?

Yes. The ban does not apply to candidates in a special election for the office of State Senate or State Representative or to a candidate who has established an exploratory committee for an office(s) other than a General Assembly or State Office.

Are Lists Available of Lobbyists and Political Committees Established by Lobbyists?

Yes. Individuals, organizations or entities who are registered lobbyists are placed on a list available at the State Ethics Commission, 20 Trinity Street, in Hartford. Political committees established by or on behalf of a lobbyist are placed on a lobbyist list prepared by the State Elections Enforcement Commission which is based upon the committee's registration statement as well as certifications required to be filed by the treasurers of all committees. A definition of the term, "political committee established by or on behalf of a lobbyist" appears in the section entitled "I. DEFINITIONS OF TERMS OF PRINCIPAL IMPORTANCE TO CANDIDATES", "What is a Political Committee Established by or on behalf of a Lobbyist?", on Page 5 of this Guide. The Commission also prepares a list of the political committees which are barred from receiving lobbyist contributions during the session based upon certifications filed by committee treasurers.

Can I rely on the Lists Published by the State Elections Enforcement Commission?

Yes. Any treasurer of a candidate's campaign which receives a gift from a political committee established by or on behalf of a lobbyist which does not appear on the list entitled "Political Committees Established by or on behalf of a Lobbyist" and which is received by such treasurer in good faith reliance on the published list has a defense to any action brought to challenge the acceptance of the gift. Key to this defense is that the committee acted in good faith reliance on the published lists and did not otherwise have knowledge of the special lobbying status of the donor.

Which Activities are Proscribed during the Legislative Sessions?

A lobbyist or a political committee established by or on behalf of a lobbyist is prohibited from doing any of the following for a candidate or exploratory committee of a candidate for State Office or the General Assembly:

- Making or soliciting a campaign contribution or payment to the campaign;
- Providing goods or services to or for a campaign fund-raising event;
- Purchasing items at such an event, i.e. tag sale, auction, dinner; or
- Purchasing advertising space in a program booklet for such an event.

(Section 9-333(e), General Statutes)

Restrictions on Contribution to Candidates for State Treasurer by Individuals and Political Committees of Investment Services Firms doing Business with the State Treasurer.

Certain individuals who are associated with an entity which provides investment services to the State Treasurer, and to which the State Treasurer pays compensation, expenses, fees or issues a contract, are barred from soliciting or making any contribution to a candidate or exploratory committee for nomination or election to the office of State Treasurer. The ban applies to incumbent and all challengers, and to an exploratory committee of any candidate who is considering a campaign for nomination or election as State Treasurer.

The ban applies to any individual who is an owner, director, officer, partner or manager of such an entity, and to any employee with a managerial or discretionary responsibility to invest, manage funds or provide investment services on behalf of the entity. A political committee established by such an entity is similarly barred from soliciting or making contributions to a candidate or exploratory committee for State Treasurer.

(Sections 9-333n(f), 9-333o(f), General Statutes)

The ban applies for the entire term of office of the State Treasurer who paid compensation fees or expenses to the investment services firm. For example, the restricted class of contributors associated with an investment services firm which received compensation from the State Treasurer in 1995 would thereafter be barred from soliciting or making contributions to a candidate or exploratory committee for State Treasurer until January, 1999.

A candidate or exploratory committee for the office of State Treasurer must not accept contributions from individuals within the restricted class or from a political committee of an investment services firm which received compensation, fees or expenses from the State Treasurer.

Any fundraising letter or other communication from a candidate or exploratory committee of a candidate for State Treasurer must include a notice of the prohibitions in Sections 9-333n(f), 9-333o(f) and 1-84(n) of the General Statutes.

(Section 9-333w(e), General Statutes)

Business Entity, Labor Union and other Organization Contribution and Expenditure Ban

Generally, the treasury funds or resources of a business entity cannot be used to make contributions or expenditures to or for the benefit of candidates or their committees. The following are exceptions to the restriction:

- A business entity may pay the costs of directly communicating with its owners, shareholders, executive and administrative personnel and their families on any subject, including expressly advocating the election or defeat of a specific candidate. However, the communication must be created by the business entity to qualify for the exception. The business entity may not use its funds to republish campaign material created by a candidate or candidate's committee.

(Section 9-333b(b)(2), General Statutes)

- An organization may also pay the costs of communicating with its members and their families on any subject, including expressly advocating the election of a candidate. However, as in the case of a business entity, the communication must be created by the organization to qualify for the exception. The organization may not use its funds to republish campaign material created by the candidate or candidate's committee.

(Section 9-333b(b)(2), General Statutes)

- A business entity may sell to a candidate, or candidate's committee, food or beverage at a discount as long as the charge is not less than the cost to the business entity and the cumulative value of the discount given is not more than \$200 with respect to any single election, except the value of the discount may be as much as \$400 per calendar year with respect to a party committee. These are not in-kind contributions if the discounts remain within these limits.
- The business entity may purchase up to \$250 worth of advertising space in programs for fund-raising events sponsored by any candidate or candidate's committee and this limit applies to the entire election cycle. Exceeding this limit would constitute a prohibited contribution in violation of Section 9-333o, General Statutes.

(Section 9-333b(b)(10), General Statutes.)

- A business entity may provide goods or services to a candidate or candidate's committee for a fund-raising event where the cumulative value of such goods or services is not more than \$100 per event. If the donation by a business entity exceeds \$100 per fund-raising event the entire amount is a prohibited contribution which violates Section 9-333o, General Statutes. Valuation of these resources is the obligation of the recipient committee's treasurer.
- Business entity or organization treasury funds may not be used to reward, give a bonus to or in any manner reimburse any individual for contributing funds or resources to a candidate or committee. Such reward would be an illegal contribution.
- A labor union or organization may purchase up to \$50 worth of advertising space in a program for a fund-raising event sponsored by any candidate or candidate's committee and this limit applies to the entire election cycle. Exceeding this limit would constitute a prohibited contribution in violation of Section 9-333p, General Statutes.

(Sections 9-333b(b)(10) and 9-333p(a), General Statutes.)

VIII. IDENTIFICATION OF POLITICAL CAMPAIGN COMMUNICATIONS

Requirements

Any committee which finances any written, typed or printed communication in support of or in opposition to a candidate, including a solicitation of funds, must include on its face the text "Paid for by", and the name of the sponsoring committee and its treasurer. A candidate who is without a committee (financing the campaign from personal funds) must

include “Paid for By” and the candidate’s name and address on the political communication. The attribution requirement applies to letters, brochures, circulars, billboards, newspaper advertisements and similar communications and to any campaign sign which is greater than 32 square feet in surface area.

(Section 9-333w(a), General Statutes)

In addition to the attribution statement, any candidate committee which has a deficit after the election and solicits funds to eliminate the deficit by written or printed communication must include a statement that the funds sought are to eliminate a deficit. [Note: These contributions count towards the donor’s election limitation, and are not subject to a separate limitation.]

(Section 9-333w(d), General Statutes)

Exempt Communications

Attribution for political communications is not required for “political paraphernalia” such as pins, badges, hats, rulers, calendars, and bumper stickers (give away items which have a utilitarian purpose beyond the campaign message) and any banner.

Also exempt are campaign signs which have a surface area of 32 square feet or less.

(Section 9-333w(c), General Statutes)

IX. POLITICAL OR PARTY COMMITTEES REGISTERED UNDER FEDERAL LAWS OR REGISTERED IN OTHER STATES

Any political committee or party committee registered with the Federal Election Commission under federal law or under the laws of another state, but not in Connecticut, and which desires to make contributions or expenditures to, or for the benefit of, any Connecticut candidate for office or such candidate’s authorized committee may do so only if such donor committee first registers in Connecticut and such committee’s funds are solicited specifically for use in Connecticut campaigns. Treasurers receiving such contributions from entities not registered as committees in Connecticut must return the contributions immediately to the donor. Reference may be made to the Commission’s separate publication entitled “Guide for Ongoing Political Committees Established By a Business Entity, Organization, Or Two or More Individuals for Political Activities” to better understand the registration requirements applying to such donors.

(Section 9-333d, General Statutes)

X. TERMINATION OF THE COMMITTEE – DISTRIBUTION OF SURPLUS AND ELIMINATION OF DEFICITS

Exploratory Committees

An exploratory committee must be terminated when the candidate decides to seek nomination or election to a particular office or when the candidate decides not to seek office. In either instance, the treasurer must file a notice of intent to dissolve the committee with the Secretary of the State’s office within 15 days of the candidate’s declaration. The notice must be accompanied by a financial disclosure statement identifying all contributions received or

expenditures made since the last statement, and the balance on hand or deficit, as the case may be.

If the candidate decides to seek nomination or election to a particular office, he or she must register a candidate committee and no other committee. All surplus funds and equipment of the exploratory committee, as well as its liabilities, must be transferred to the candidate committee. The transfer of funds must be disclosed as an expenditure on the termination statement of the exploratory committee and listed in Section C on the candidate committee's initial disclosure statement. In the event that the exploratory committee has a deficit, the outstanding liabilities must be included on the candidate committee's initial statement as "Expenses Incurred but Not Paid".

If the candidate has determined that he is seeking a General Assembly or State Office and had previously designated, on the exploratory committee registration statement, that he was not seeking General Assembly or State Office, and such candidate's exploratory committee accepted contributions from a lobbyist (individuals or political committees established by or on behalf of a lobbyist) during any period of prohibition on such lobbyist contributions, he may distribute his exploratory committee's surplus to his candidate committee only to the extent that the aggregate total of such proscribed lobbying contributions are less than the surplus. Any remaining surplus funds, that is, the amount of the surplus that represents the aggregate total of all proscribed lobbying contributions received, must be either distributed to all the lobbyist contributors on a prorated basis or given to a charity which is tax exempt by Section 501(c)(3) of the Internal Revenue Code.

If the candidate decides not to seek nomination or election to any office and the exploratory committee has a surplus, the surplus must be distributed within 15 days of such decision to one or more of the following:

- a) an ongoing political committee which has agreed, by virtue of the acceptance of such distribution, to never finance a future campaign of such candidate for elective office, whether a state office or some other office;
- b) a party committee (no strings attached);
- c) a tax exempt, tax deductible organization under 501(c)(3) of the Internal Revenue Code; or
- d) to all donors on a pro-rata basis based upon the relationship of the aggregate donation from a particular donor to the total of all donations received by the committee from all donors.

If the exploratory committee has a deficit, the treasurer must file a supplemental statement with the Secretary of the State's office within 30 days of the candidate's decision not to seek election to any office. This supplemental deficit statement shall include all contributions received and expenditures made from the date of the last filed statement completed as of 7 days before the filing of the deficit statement and shall include the amount of the deficit. As in the case of a candidate committee, the exploratory committee must remain in existence until the deficit is eliminated. The treasurer is required to file an additional statement on the seventh day of any succeeding month when there is an increase or decrease in the deficit which is greater than \$500 from the last disclosure statement.

(Section 9-333)(f), General Statutes)

Candidate Committees

If a candidate withdraws prior to a primary or election, the surplus may not be distributed prior to the primary or election, except to a tax exempt organization under Section 501(c)(3) of the Internal Revenue Code or returned to all contributors to the committee on a pro rated basis of contribution.

If after the election or an unsuccessful primary, there is a surplus or deficit in the committee's account, the committee must remain in existence to distribute its surplus, or eliminate its deficit, whichever is applicable.

In the event of a surplus, a candidate committee must distribute the surplus within 90 days after the election or unsuccessful primary. Surplus may be distributed to one or more of the following:

- a) an ongoing political committee which has agreed, by virtue of the acceptance of such distribution, to never finance a future campaign of such candidate for elective office, whether a state office or some other office;
- b) a party committee (no strings attached);
- c) a tax exempt, tax deductible organization under 501(c)(3) of the Internal Revenue Code; or
- d) to all donors on a pro-rata basis based upon the relationship of the aggregate donation from a particular donor to the total of all donations received by the committee from all donors.

(Section, 9-333j(e), General Statutes)

A candidate committee treasurer whose candidate is elected may, with the approval of the candidate, expend the committee's surplus during the 90 day post election period by paying for the clerical, secretarial or other office expenses necessarily incurred by the candidate in preparation for taking office. However, capital assets and equipment for the elective office may not be purchased with surplus funds. The treasurer, however, may not under any circumstances pay surplus proceeds to the candidate or the candidate's family for services rendered to the campaign.

(Section 9-333j(e), General Statutes)

Surplus funds may be used to pay expenditures for inaugural activities and a "thank you" party for campaign workers.

The treasurer must file a termination report within seven days after all surplus funds or equipment have been distributed.

(Section 9-333j(e)(3), General Statutes)

In the event of any deficit, the treasurer must file a financial statement ninety days after an unsuccessful primary, if applicable, or 90 days after the election, indicating the amount of the deficit including an itemized accounting of all receipts and expenditures since the last financial statement. The treasurer is also required to file an additional statement on the seventh day of any succeeding month when there is an increase or decrease in the deficit which is greater than \$500 from the last filed disclosure statement. The filing deadline for such a supplemental deficit report is on the seventh day of the next succeeding month.

A final termination report must be filed on the seventh day of the next succeeding month following elimination of the deficit, and this is true even where the deficit amount is less than \$500.

(Section 9-333j(e)(3), General Statutes)

A candidate committee may, after the election, raise funds only to eliminate its deficit.

Note: Remember: An in-kind contribution is the donation of goods, services or anything of value given free of charge or at less than the usual charge to the recipient committee. Thus, commercial vendors, who may not as business entities make contributions to a campaign, are expected to take normal and reasonably necessary debt collection steps to get paid and, concomitantly, the committee treasurer must make reasonably necessary efforts to make up the deficit or else a factual predicate may be found by the Commission to exist which may lead the Commission to the legal conclusion that the committee has accepted illegal donations. This is a fact based finding based upon all of the circumstances surrounding the unpaid debt and the committee's finances.

XI. GENERAL PROHIBITIONS AND PENALTIES

Vote Buying and Selling

No person may knowingly give, lend or promise to give or lend any money or other valuable consideration to any other person to influence the other person to vote, or refrain from voting for or against any candidate. Any person who votes for or against any candidate in consideration of any gift or other valuable consideration received shall be guilty of corrupt practices.

(Section 9-333x(1), General Statutes)

Contributions in False Name

No person may make a payment or contribution to a treasurer in any name other than the name of the true donor or payor; nor may any treasurer knowingly receive the payment or contribution. A treasurer is prohibited from entering the name of someone other than the true donor or payor on the committee's financial disclosure statement.

(Section 9-333x(7), General Statutes)

General Criminal and Civil Penalties

Any person who violates any provision of Connecticut's Campaign Finance Laws is subject to a civil penalty not to exceed \$2,000 or twice the amount of the improper contribution or payment, whichever is greater.

(Sections 9-7b(2), General Statutes, as amended by P.A. 97-107)

Any person who "knowingly and wilfully" violates any provision of Connecticut's Campaign Finance Laws is subject to criminal penalties of up to \$5,000 in fines, or 5 years imprisonment, or both.

(Section 9-333y, General Statutes)

Unlawful Solicitation of Contributions or Making of Expenditures

No person may solicit or accept funds or other resources, or expend funds, for or on behalf of a candidate for elective office or any committee unless the committee has been registered with the Town Clerk or Connecticut Secretary of the State, as the case may be.

Similarly, no person may solicit or accept funds or other resources, or expend funds, on behalf of a registered committee during the period in which there exists a vacancy in the position of treasurer and there is no deputy treasurer of the committee to act as treasurer.

No person may solicit or accept excessive contributions or payments which are otherwise prohibited by the provisions of Chapter 150.

(Section 9-333x(10), General Statutes)

No incumbent officeholder may use public funds to mail or print flyers or other promotional materials for distribution in the three months preceding an election in which such officeholder is a candidate for elective office.

(Section 9-333(d), General Statutes)

Prohibited Solicitations

Commissioners and deputy commissioners of state agencies are prohibited from soliciting funds for the benefit of any candidate, political or party committee.

(Section 9-333x(11), General Statutes)

Testimonial Affairs

No testimonial affair can be held for a candidate, or any elected official during his term of office, unless its purpose is to raise funds for the individual's candidate committee. A testimonial affair is an event held in honor of a candidate or individual who holds elective office during his term of office. There are two exceptions to this rule:

1. A retirement party may be held for an individual who has announced his intent to retire from public office, unless he has a deficit outstanding from any one of his prior campaigns in which case, the proceeds must be used to eliminate the deficit; or
2. A testimonial for an officeholder may be conducted by a civic or non-profit organization, if all of the proceeds are distributed by the organization.

Anyone who organizes an improper testimonial or fundraiser is subject to civil and potentially criminal liability.

If a party or political committee conducts a testimonial affair, the net proceeds must be given to the candidate's committee. Those who purchase tickets to the testimonial are considered to have made a contribution to that candidate committee. In addition, the expenses paid by the sponsoring committee must be reported by the candidate committee as in-kind contributions.

(Section 9-333k(b), General Statutes)

Promise of Public Appointment or Position of Trust

No individual may, in order to influence his nomination or election or that of any other individual, promise to appoint or secure the appointment of any other individual to any public office or to any position of honor or trust.

(Section 9-333x(6))

XII. PUBLIC RECORDS

The registration and disclosure statements filed on behalf of candidate are available for public inspection at the office of the Secretary of the State. These reports are required to be kept by the filing repository for five (5) years from the date of filing.

(Section 9-333j(c)(4), General Statutes)

XIII. COMPLAINTS

Who May Bring a Complaint?

Any individual may bring a complaint to the State Elections Enforcement Commission requesting that an investigation be made into any alleged violation of the State election laws.

The State Elections Enforcement Commission on its own initiative may also decide to conduct an investigation on any possible violation of the State election laws.

(Section 9-7b, General Statutes)

Form of Complaint

All complaints filed with the Commission must be in writing and sworn to under oath by the complainant.

A pre-printed form available at the State Elections Enforcement Commission may be used to file complaints and is available upon request. A complaint may also be filed in letter form provided that it is sworn to under oath.

Complaints must be submitted with an original signature of the complainant. No copies or facsimiles will be accepted.

Complaints should include the following:

- The legal name, address and telephone number of the individual filing the complaint.
- A clear and concise statement of the facts including:
 1. The date of the alleged violation(s);
 2. The identity of the person(s) alleged to have committed the violation(s);
 3. The identity of any person(s) who may have knowledge of the facts asserted in the complaint; and
 4. Any other document, written material or other information known to the complainant and having a bearing on the violation(s) alleged in the complaint.

XIV. ADVISORY OPINIONS AND DECLARATORY RULINGS

Who may request an Advisory Opinion?

Any individual or entity may request an advisory opinion or declaratory ruling from the State Elections Enforcement Commission.

What May Be the Proper Subject of an Advisory Opinion?

The applicability of any provision of Chapter 150 of the General Statutes, or any regulation promulgated by the State Elections Enforcement Commission, with respect to a course of action contemplated by the person seeking the ruling or advisory opinion.

Formal Requirements for an Advisory Opinion or Declaratory Ruling Request

A request for an advisory opinion or declaratory ruling must contain the following:

1. An original signature, address, and telephone number of the person(s) requesting the opinion or ruling;
2. A clear and concise statement of the issue;
3. A statement that the course of action contemplated by the person is real and not hypothetical or imaginary;
4. An identification of the particular aspect of the provisions of Chapter 150 of the General Statutes or regulation to which the request is addressed; and
5. Any facts and arguments that support the position of the person making the inquiry.

The advisory opinion procedures may not be used to challenge the legality or legal sufficiency of another person's actions; rather the complaint process must be used for that purpose.

Notice Procedures Relating To Advisory Opinions or Declaratory Rulings

An advisory opinion or declaratory ruling request must be mailed or delivered in person to the State Elections Enforcement Commission during normal business hours.

If the Commission determines an advisory opinion or declaratory ruling will not be rendered, it will, within thirty (30) days of such determination, notify the person(s) requesting the same of its denial.

The State Elections Enforcement Commission may give notice to other persons that an opinion or ruling has been requested and may receive and consider facts, arguments and opinions from them.

XV. CONCLUSION

This Guide was intended to clarify and summarize the most important provisions relating to Connecticut's campaign financing requirements relevant to candidates seeking election to State Offices, General Assembly, Sheriff and Judge of Probate.

Inquiries regarding campaign financing requirements, legal interpretations of the State Elections Enforcement Commission as well as complaints and requests for Advisory Opinions or Declaratory Rulings may be addressed to:

State Elections Enforcement Commission
20 Trinity Street, Suite 101
Hartford, Connecticut 06106-1628

Jeffrey B. Garfield, Executive Director & General Counsel

Tel No. Area Code (860) **566-1776**
Fax No. Area Code (860) 566-4402
URL <http://seec.state.ct.us>
E-Mail seec@po.state.ct.us

Requests for copies of the published calendar of specific filing dates, and committee registration and disclosure forms may be obtained from the State Elections Enforcement Commission and also from:

Office of the Secretary of the State
Elections Services Division
P.O. Box 150470
30 Trinity Street
Hartford, Connecticut 06115
Nancy Staniewicz, Elections Officer

Tel No. Area Code (860) 509-6101
Fax No. Area Code (860) 509-6127

Permissible Contributions

Aggregate Dollar Limits^a

<i>Candidate Committee for</i>	<i>Contributor Sources^b</i>				
	<i>Individual^c</i>	<i>Party Committee</i>	<i>Political Committee formed by two or more Individuals</i>	<i>Political Committee formed by a Business</i>	<i>Political Committee formed by an Organization</i>
<i>Governor</i>	2,500	Unlimited	Unlimited	5,000	2,500
<i>Lieutenant Governor Secretary of the State Treasurer Comptroller Attorney General</i>	1,500	Unlimited	Unlimited	3,000	1,500
<i>Sheriff</i>	1,000	Unlimited	Unlimited	2,000	1,000
<i>State Senator Judge of Probate</i>	500	Unlimited	Unlimited	1,000	500
<i>State Representative</i>	250	Unlimited	Unlimited	500	250
<i>Undetermined Office (Exploratory Committee)</i>	250	Unlimited	250	250	250

A candidate's exploratory committee must distribute its entire surplus, if any, to his or her candidate committee.

- These limits apply separately to primaries and elections, see footnote 2, on page 13.
- Only contributions from political and party committees which are registered in Connecticut may be accepted. *Note:* A political committee formed for a referendum may not give to candidate or exploratory committees under any circumstances.
- An individual, under certain circumstances, may contribute an additional \$250 if there is a delegate primary, see footnote 1, on page 12.